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Counsel for Ad Hoc Group of Subrogation Claim Holders

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

Chapter 11
Bankr. Case No. 19-30088 (DM)
(Jointly Administered)

PG&E CORPORATION,

-and-

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric
Company
☒ Affects both Debtors

** All papers shall be filed in the lead case,
No. 19-30088 (DM)*

**SUPPLEMENTAL RESPONSE OF THE AD
HOC GROUP OF SUBROGATION CLAIM
HOLDERS TO THE CALIFORNIA STATE
AGENCIES' OBJECTION TO RESPONSE
OF FIRE VICTIM TRUSTEE TO
REMAINING OBJECTION REGARDING
FIRE VICTIM TRUST DOCUMENTS
[DOCKET NO. 7873] AND AD HOC
SUBROGATION GROUP LIMITED
OPPOSITION [DOCKET NO. 7891]**

Date: TBD
Time: TBD
Place: United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

1 The Ad Hoc Group of Subrogation Claim Holders (the “**Ad Hoc Subrogation Group**”) in the
2 above-captioned chapter 11 cases of PG&E Corporation and Pacific Gas and Electric Company
3 (collectively, “**Debtors**”), by its attorneys Willkie Farr & Gallagher LLP and Diemer & Wei, LLP,
4 hereby submits this supplemental response (the “**Response**”) to the *California State Agencies’*
5 *Objection to Response of Fire Victim Trustee to Remaining Objection Regarding Fire Victim Trust*
6 *Documents [Docket No. 7873] and Ad Hoc Subrogation Group Limited Opposition [Docket No.*
7 *7891] [Docket No. 7917] (the “**Objection**”).¹ In support of this Response, the Ad Hoc Subrogation
8 Group respectfully represents as follows:*

9 **SUPPLEMENTAL RESPONSE**

10 The Ad Hoc Subrogation Group does not dispute that the clarification was made at the hearing
11 to approve the subrogation RSA that the California State Agencies and the United States of America
12 are not intended to be captured by the definition of “IP Claims” in the subrogation RSA. However,
13 the issue with the changes to the Fire Victim Claims Resolution Procedures requested by the
14 objectors is that they are overbroad. The language requested for the Claims Resolution Procedures
15 would exempt “any Fire Victim Claim that is the subject of a Bankruptcy Court approved settlement
16 agreement” from the express requirements of the Plan, which the Ad Hoc Subrogation Group
17 expressly negotiated for in connection with the Court-approved subrogation RSA.² If there is to be
18 any exception to the made whole release requirement in the Claims Resolution Procedures, it must
19 be narrowly tailored in line with the clarification made on the record of the hearing on the
20 subrogation RSA.³

25 ¹ Capitalized terms used but not defined shall have the meanings ascribed in the Objection or in the *Debtors’ and*
26 *Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization Dated May 22, 2020 [Docket No. 7521] (the “**Plan**”).*

27 ² *California State Agencies’ Remaining Issues Regarding Confirmation of Joint Chapter 11 Plan of*
Reorganization Dated March 16, 2020 [Docket No. 6320]; Proposed Revisions to Plan Section 8.2(e) and the Fire Victim
Trust Agreement [Docket No. 7850] at Ex. 9, 1.

28 ³ *See Oct. 23, 2019 Hr’g Tr. at 188:16-24; see also Dec. 4, 2019 Hr’g Tr. at 50:17-20.*

1 Dated: June 15, 2020

2
3 **WILLKIE FARR & GALLAGHER LLP**

4
5 /s/ Matthew A. Feldman

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